Impact of fuel cost on airfare

2645. SHRI GHULAM NABI AZAD: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the domestic airfares in India are among the highest in air tariffs;

(b) if so, the reasons therefor;

(c) whether Government are anticipating increase in fuel cost this year;

(d) if so, whether increase in Aviation Turbine Fuel (ATF) can be recovered through hike in air tariffs; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK): (a) No, Sir.

(b) Does not arise.

(c) Prices of Aviation Turbine Fuel (ATF) are no longer regulated by Government. It is, therefore, not possible to give any firm indication of increase in price as these will be determined by market conditions.

(d) and (e) The price of ATF has increased from Rs. 21,900/- per kilo-litre in October, 2002 to Rs. 25,200/- per kilo-litre in March, 2003. This has put an additional burden of Rs. 140 crores per annum on Indian Airlines.

Indian Airlines has with effect from 26.03.2003, increased the Rupee fares on domestic sectors by 15%.

The increase in air fare will partly offset the increase in ATF cost.

Direct air services from Rajasthan for Hajis

2646. SHRI AIMADUDDIN AHMED KHAN (DURRU): Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the State Government of Rajasthan has requested the Central Government to make such necessary arrangements which